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PRIVATE NON-IRRIGATED GRAZING LEASE SURVEY COLORADO ---- 1999

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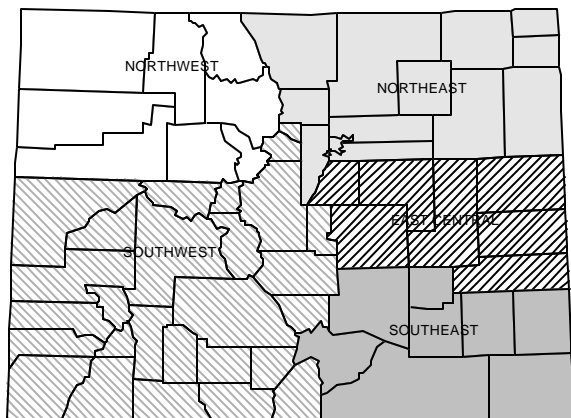
This report represents the results of a special survey of private non-irrigated grazing land leases in Colorado. The survey was designed and completed by the Colorado Agricultural Statistics Service under a funding agreement with the Colorado State Board of Land Commissioners. The survey was conducted during June and July, 1999. Questionnaires were mailed to 2,250 Colorado farmers and ranchers. Many of these were identified as having private grazing leases from a Fall 1998 survey of over 10,000 agricultural producers. This sample was combined with a mailing to operations (primarily ranches) that do not have any cropland. About two weeks following the initial mailing, an attempt was made to call virtually every non-respondent. This resulted in a total return of 1,821 reports, representing 81 percent of the initial mailing. A similar survey in 1995 of 2,000 producers had a response rate of 88 percent.

The survey was designed to provide non-probability statistical estimates of private non-irrigated grazing lease terms, characteristics and rates at special district and state levels. Survey responses were received from all counties in the state. Ranges (lowest and highest reported rates) and straight averages of the reported rates for the three predominate lease rate arrangements were reviewed for each county even though only district and state values are published. The 1999 survey showed that 47 percent of the private grazing leases were on a rate per acre basis, 35 percent were on a per head per month basis and 18 percent were on a per AUM basis. The 1995 survey indicated that 45 percent of the leases were on a rate per acre basis, 31 percent were on a per head per month basis and 25 percent were on a per AUM basis. The graphics below show the counties included in each survey district and the survey average rates for each of the survey districts. The district data tables for both the 1995 and 1999 surveys and additional narrative on the survey follow on the next few pages.

Comments or questions relating to the survey or the interpretation of these survey results may be directed to:

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COLORADO



State Land Board Districts

Private Grazing Rates Colorado, 1999

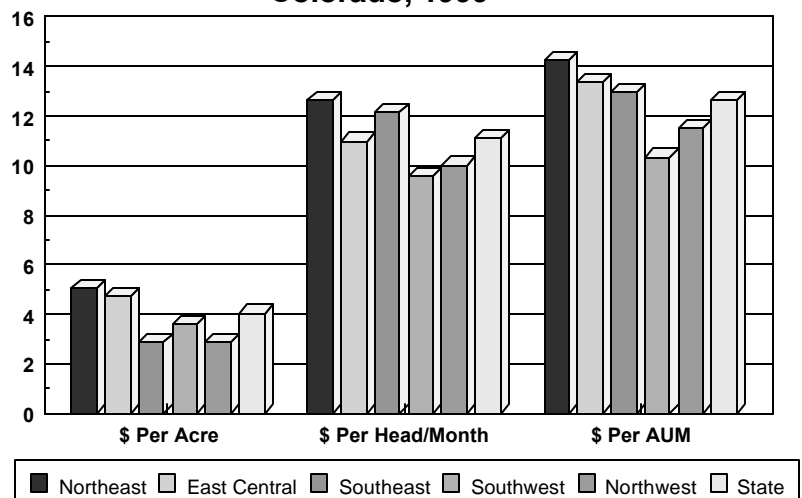


TABLE 1: RATES PAID FOR PRIVATE GRAZING LEASES BY DISTRICT, COLORADO, 1995 and 1999

District	Per Acre Basis		Per Head/Month Basis			Per AUM Basis		
	Range	Avg.	Range	Avg.	Length of Season	Range	Avg.	Length of Season
1995	\$ Per Acre		\$ Per Head/Month		Mos.	\$ Per AUM		Mos.
Northeast . . . . .	.62—16.00	4.96	5.00—22.00	11.57	6	7.00—20.00	13.32	5
East Central . . .	1.00—17.00	4.51	5.00—30.00	10.42	6	8.00—18.00	12.57	5
Southeast . . . . .	.33—12.00	2.63	5.00—20.00	11.07	7	6.00—18.00	11.59	6
Southwest . . . . .	.50—15.00	3.57	1.84—20.00	9.25	5	3.50—18.50	10.38	4
Northwest . . . . .	.23—11.76	2.55	1.15—15.00	9.32	5	1.35—15.00	10.23	5
State Total . . .	.23—17.00	3.95	1.15—30.00	10.42	5	1.35—20.00	11.71	5
1999								
Northeast . . . . .	.47—18.75	5.08	2.00—26.50	12.62	5	5.00—20.00	14.26	6
East Central . . .	.25—16.00	4.70	2.00—20.00	10.99	5	4.00—18.00	13.37	6
Southeast . . . . .	.40—14.28	2.89	3.00—20.00	12.14	5	10.00—25.00	12.95	6
Southwest . . . . .	.42—17.00	3.59	1.00—15.00	9.55	5	1.35—18.00	10.35	5
Northwest . . . . .	.35—15.00	2.88	2.50—15.00	10.02	4	6.00—18.00	11.48	5
State Total . . .	.25—18.75	4.05	1.00—26.50	11.12	5	1.35—25.00	12.67	6

TABLE 2: PRIVATE GRAZING LEASE SUMMARY BY DISTRICT, COLORADO, 1995 and 1999

District	Reports Tabulated	Leases Reported	Percent of Leases for:			Acres Per Lease	
			Cattle	Sheep	Both	Range	Average
1995	Number		Percent <u>1</u>/			Acres	
Northeast	476	455	100	--	--	2—30,000	1,094
East Central . . .	338	359	99	--	--	20—19,000	1,103
Southeast	217	207	100	--	--	5—32,460	2,338
Southwest	473	293	97	2	1	6—90,000	1,666
Northwest	246	200	90	6	4	4—40,000	2,563
State Total . . .	1,750	1,514	98	1	1	2—90,000	1,564
1999							
Northeast	524	295	99	1	—	4—10,000	831
East Central . . .	375	343	99	—	—	20—40,000	1,237
Southeast	327	206	98	2	—	5—22,000	1,609
Southwest	460	218	95	3	2	10—30,000	1,070
Northwest	135	132	88	11	2	12—12,000	1,386
State Total . . .	1,821	1,194	97	2	1	4—40,000	1,188

^{1/} Percents may not add to 100 because of rounding.

TABLE 3: PRIVATE GRAZING LEASE SUMMARY BY DISTRICT, COLORADO, 1995 and 1999

District	Reported Carrying Capacity (Acres Per Animal Unit)		Percent of Leases by Type			Percent of Leases by Term		
			Per Acre Basi s	Per Head/Month Basis	Per AUM Basis	Month to Month	Annual	Multiple Years
	Range	Average						
1995	Acres		Percent <u>1</u>/			Percent <u>1</u>/		
Northeast	1—87	16	40	32	28	20	71	8
East Central	3—130	20	56	32	12	18	72	9
Southeast	1—110	28	67	16	17	13	78	9
Southwest	1—80	17	30	35	35	23	62	16
Northwest	1—98	15	33	32	35	19	66	15
State Total	1—130	19	45	31	25	19	70	11
1999								
Northeast	1—100	16	35	41	24	30	60	10
East Central	1—100	19	62	24	14	25	73	2
Southeast	1—100	31	68	22	10	18	71	11
Southwest	1—100	24	25	48	27	30	56	14
Northwest	1—100	14	31	50	18	34	55	11
State Total	1—100	21	47	35	18	27	64	9

^{1/} Percents may not add to 100 because of rounding.

TABLE 4: PRIVATE GRAZING LEASE SUMMARY BY DISTRICT, COLORADO, 1995 and 1999

District	Percent of Leases With Landlord Provided Services						Hunting and/or Fishing Rights 1/
	Maintenance of:		Animal Mgt. & Oversight	Salt and Minerals	Other Services	No Services	
	Fence	Water					
1995	Percent						
Northeast	42	49	10	6	1	42	24
East Central	40	44	10	5	1	46	26
Southeast	29	32	10	6	—	62	34
Southwest	33	30	13	12	2	55	18
Northwest	43	35	19	14	1	49	18
State Total	38	40	12	8	1	49	24
1999							
Northeast	50	48	10	8	3	38	4
East Central	40	46	9	7	2	44	7
Southeast	31	32	7	7	—	61	8
Southwest	39	30	12	9	2	57	5
Northwest	46	37	16	6	6	46	10
State Total	41	40	10	7	2	48	7

^{1/} 1995 and 1999 data are not completely comparable due to a wording change in the survey questionnaire:

1995 - "Do any hunting and/or fishing rights accompany this lease?"

1999 - "Are any marketable hunting and/or fishing rights included?"

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Both the 1995 and 1999 surveys indicate that virtually all of the leases of privately owned non-irrigated land are for cattle. Sheep leases accounted for only 2 percent of the total in 1999 compared with 1 percent in 1995, and most of those are in the western areas of the state. Only one percent of the leases were for both cattle and sheep.

There is a very wide range in the number of acres included in the leases of privately owned non-irrigated land, from just a few acres to as many as 90,000 acres. The 1999 average for all leases was 1,188 acres, down from an average of 1,564 acres in the 1995 survey. Each district had an average exceeding 1,000 acres for both years except the northeast which averaged 831 acres in 1999 compared with 1,094 acres in 1995.

The reported carrying capacity also varies widely across the state, ranging from just one acre per animal unit to 100 acres per animal unit in the 1999 survey. An upper limit of 100 acres was established for each district. The very few reports that exceeded 100 acres per animal unit were not included in the survey summary. The state averages were very similar for the two years at 21 acres per animal unit in 1999 compared with 19 acres per animal unit in 1995. The individual district averages for 1999 ranged from 14 acres per animal unit in the northwest to 31 acres in the southeast. The 1995 survey indicated a range of 15 acres per animal unit in the northwest to 28 acres in the southeast.

Nearly one half of the leases were on a per acre basis in each survey, averaging 47 percent in 1999 and 45 percent of the total in 1995. Leases on a per acre basis were most common in the east central and southeast districts in the 1999 survey, accounting for over 60 percent of the total in each area. In 1999, 35 percent of the leases were on a per head/month basis compared with 31 percent in 1995. In the northeast, southwest and northwest districts leasing on a per head/month basis was the most common, accounting for 41 percent to 50 percent of the total. Eighteen percent of the 1999 leases were on an AUM basis, down from 25 percent in 1995.

Leasing on an annual basis was the most common term of lease, averaging 64 percent of the total leases in 1999 compared with 70 percent in 1995. Annual leases were the most common in each district for both survey periods. Month to month leases represented 27 percent of the total in the latest survey, up from 19 percent in the previous survey. Multiple year leases were least common, averaging just 9 percent of the total in 1999 compared with 11 percent in the 1995 survey.

In each of the two surveys, nearly 50 percent of the leases did not include any services by the landlord. However, fence and water maintenance were the most common services provided by landlords in each of the two surveys where at least one service was provided. Each of these services were provided on about 40 percent of the leases. Ten percent of the leases included animal management and oversight and two percent of the leases included some type of other services. The 1999 survey results for services were very similar to those from the 1995 survey.

The information in Table 4 on hunting and /or fishing rights differs between the 1995 and the 1999 surveys. The survey questionnaire was changed for the 1999 survey to include only "marketable" hunting and/or fishing rights. Since the 1995 survey asked if "any" hunting and/or fishing rights were conveyed with the lease, data for the two periods are not considered to be comparable.